

KELSO CITY COUNCIL AGENDA

REGULAR MEETING at 7:00 P.M.

Tuesday, November 18, 2008

203 S. Pacific

Kelso, WA 98626

** Special accommodations for the handicapped are available by special arrangement through the City Manager's office, (360)423-1371. For hearing impaired assistance (TDD), please call (360)-423-0900.**

Agenda Items

7:00 PM Regular Meeting

Invocation:

- **Pastor Chris Davis, Kelso Abundant Life Nazarene Church**

Call to order:

Roll Call of Council Members:

Minutes:

- **November 4, 2008, Regular Council Meeting**

KSD Student Representatives:

- **Jim McDaniel-President**

Citizen Business:

Budget Hearing:

Consent Items:

- **Auditing of Accounts**
- **Liquor License Renewals**
 1. **Plaza Jalisco, 400 W. Main**
 2. **Quick Stop Market, 807 S. Pacific**

Council Business:

Motion Items:

- 1. Ordinance, 2nd Reading, Increase of Water/Sewer Rates**
- 2. Ordinance, 2nd Reading, Setting Stormwater Rates**
- 3. Ordinance, 2nd Reading, Budget Revision**
- 4. Ordinance, 2nd Reading, Setting 2009 Property Tax Levy Amount**
- 5. Closeout, Tam O' Shanter Parking Lot**

Other Items:

- **City Manager's Report**
- **Staff Reports**
- **Council Reports**
- **Other Business**
- **Executive Session**

Pastor Jerry Dahlke, North Gate City Church, gave the invocation. Mayor David Futcher led the flag salute. The Regular Meeting of the Kelso City Council was called to order by Mayor Futcher. Councilmembers in attendance were: Futcher, Myers, Roberson, Karnofski, McDaniel, Malella, Slater, and Student Representative Jim McDaniel.

Minutes: Upon motion by Councilmember Slater, seconded by Councilmember Roberson, 'Approve the minutes of the 10/21/08 Regular Meeting and the 10/22/08 and 10/29/08 Special Meetings,' motion carried, all voting yes.

STUDENT REPRESENTATIVE:

Jim McDaniel, A.S.B. President: 1) Kelso High students are having a food drive and a coin drive for Muscular Dystrophy, 2) A special event will be held for Veterans and their families November 6th, beginning with a breakfast from 8:00 to 9:00 and an assembly following. 3) Friday, December 5th, some music groups will be performing at the Kelso Tree Lighting. 4) There will be a Winter Ball for all students December 6th beginning at 9:00 p.m. 5) A winter choir concert will be held in the auditorium on November 18th at 7:00 p.m.

CITIZENS' BUSINESS:

Amber McKnight, 246 Paxton Rd., spoke about the proposed water tank the City of Kelso may decide to put on her property on Paxton Road. Public Works Director David Sypher gave an update of the siting of a new reservoir. He said at this time no decisions have been made about the location; however, this will be discussed in Executive Session tonight. Discussion followed.

PRESENTATIONS:

Bike Rack Presentation: **Hank Sowerwine**, a downtown Longview business builder, handed out information concerning a Bicycle Rack Program. The purpose of the program is to improve the availability of bicycle racks throughout Kelso. Businesses and organizations are invited to participate in the voluntary program. Discussion followed.

Emergency Management Annual Report: **Grover Laseke**, Director of Emergency Management for the Sheriff's Department, oversees the Emergency Management Program for Cowlitz County. An informative power point presentation by Mr. Laseke brought Council up to date on what Emergency Management has been doing so far this year. Discussion followed.

MOTION ITEMS:

Resolution No. 08-984 – Authorizing an Increase in the Property Tax Levy: The Deputy City Clerk read the proposed resolution by title only. Upon motion by Councilmember McDaniel, seconded by Councilmember Roberson, ‘Approve Resolution 08-984, ‘A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KELSO AUTHORIZING AN INCREASE IN THE REGULAR PROPERTY TAX LEVY IN ADDITION TO ANY AMOUNT RESULTING FROM NEW CONSTRUCTION, IMPROVEMENTS AND ANY INCREASE IN THE VALUE OF STATE ASSESSED PROPERTY.’ Discussion followed. Councilmembers Karnofski, Myers, McDaniel, Roberson, Malella, and Futcher voted yes. Councilmember Slater voted no. Motion passed 6 to 1.

Ordinance (1st Reading) – Increasing Water and Sewer Rates: The Deputy City Clerk read the proposed ordinance by title only. Upon motion by Councilmember McDaniel, seconded by Councilmember Karnofski, ‘Pass on 1st Reading, ‘AN ORDINANCE OF THE CITY OF KELSO AMENDING ORDINANCE NO. 07-3658 TO INCREASE WATER AND SEWER RATES.’ Mayor Futcher said this ordinance would change the City’s code to show that 7.5% increases in rates would be needed to cover some improvements that need to be made. Discussion followed. Motion carried, all voting yes.

Ordinance (1st Reading) – Setting Stormwater Rates: The Deputy City Clerk read the proposed ordinance by title only. Upon motion by Councilmember McDaniel, seconded by Councilmember Roberson, ‘Pass on 1st Reading, ‘AN ORDINANCE OF THE CITY OF KELSO REPEALING ORDINANCE NUMBERS 07-3659, 97-3379, 95-3294, 94-3252, AND AMENDING ORDINANCE NO. 93-3225 RELATING TO STORMWATER MANAGEMENT BY ESTABLISHING A NEW BASE RATE FOR SINGLE-FAMILY PARCELS, AND LISTING THE CURRENT MONTHLY SERVICE CHARGE FOR ALL CATEGORIES OF OTHER DEVELOPED PARCELS.’ Discussion followed. Councilmember Karnofski, Myers, McDaniel, Roberson, Malella, and Futcher voted yes. Councilmember Slater voted no. Motion passed 6 to 1.

Ordinance (1st Reading) – Budget Revision: The Deputy City Clerk read the proposed ordinance by title only. Upon motion by Councilmember Myers, seconded by Councilmember Karnofski, ‘Pass on 1st Reading, ‘AN ORDINANCE OF THE CITY OF KELSO AMENDING THE 2008 BUDGET TO REFLECT REVENUES AND APPROPRIATE FUNDS TO COVER EXPENDITURES OVER AND ABOVE THOSE ANTICIPATED AT THE TIME SAID BUDGET WAS ADOPTED,’ motion carried, all voting yes.

Ordinance (1st Reading) – Setting the 2009 Property Tax Levy Amount: The Deputy City Clerk read the proposed ordinance by title only. Upon motion by Councilmember McDaniel, seconded by Councilmember Myers, ‘Pass on 1st Reading, ‘AN ORDINANCE OF THE CITY OF KELSO FIXING THE ESTIMATED AMOUNT TO

BE RAISED BY AD VALOREM TAXES AT \$1,286,735 FOR THE 2009 BUDGET OF THE CITY,' motion carried, all voting yes.

Consideration of Legal Council Contract Proposals: Interim City Manager Denny Richards has received offers from Marilyn Haan, Attorney for the City of Longview; Kenyon, Disend located in Issaquah; and Ogden, Murphy and Wallace located in Seattle. Discussion of the three offers followed. It was the consensus of the Council to also consider Attorney Pat Brock, if he is interested. After lengthy discussion, it was the consensus of the Council to let City Manager Richards make the decision.

Extension of Contract with Backflow Management, Inc.: Public Works Director David Sypher said the existing contract with BMI, who currently provides the City with a cross connection and backflow prevention program, will be expiring the end of the year. Upon motion by Councilmember Roberson, seconded by Councilmember Karnofski, 'Approve the extension of the contract with BMI,' motion carried, all voting yes.

MANAGER'S REPORT:

Denny Richards: 1) I have been visiting the various departments of the City and I am impressed with the quality of the City of Kelso employees. 2) I have also visited several businesses throughout the community and have found the citizens to be friendly.

STAFF REPORTS:

David Sypher: 1) Handed out a pamphlet called *The Solution to Stormwater Pollution*, which will be mailed to the public. 2) In response to Grover Laseke's Emergency Management Annual Report, Councilmember Slater spoke earlier about the need to dredge the Coweeman River. Public Works Director Sypher agrees with Councilmember Slater on the importance of having the river dredged; however, he noted it is the responsibility of the Diking District, not the City of Kelso.

Mike Kerins: The code revision is going slower than expected but it should be brought to Council around the first of the year.

Geraldine de Rooy: 1) Over 100 people attended the annual Halloween Party at the Library. 2) Councilmember Slater would like to donate some copies of a book by John McClelland, Jr., called *R. A. Long's Planned City - The Story of Longview*.

Verne Thompson: The Police Department is shorthanded. Phil Weismiller is completing his field training, Ralph Hines is in Saudi Arabia, and another officer is on medical leave.

Brian Butterfield: 1) The Preliminary Budget will be ready Monday, November 10th. 2) I want to wish Carol Bradbury a Happy Birthday.

Carol Bradbury: No report

COUNCIL REPORTS:

Todd McDaniel: No report

Rick Roberson: I have misplaced my sign-up sheet from the Town Hall meeting I had a few weeks ago. A couple living on 7th Avenue attended the meeting and invited me to their home to talk about the roads. If they are watching tonight, I would like them to contact me.

Alan Slater: I have quite a few meetings this month and I am not sure I will be able to attend the Town Hall Meeting November 13th with the Washington State Governor's Committee.

Dan Myers: I attended an open house for Dr. Howton. I want to congratulate him for just being made President of the Washington Dental Association.

Gerald Malella: No report

John Karnofski: No report

David Futchner: No report

EXECUTIVE SESSION:

The Council convened into Executive Session at 8:34 p.m. to discuss a potential property purchase and a personnel issue. At 8:56 p.m. the Council reconvened into Regular Session.

Upon Motion by Councilmember Slater, seconded by Councilmember McDaniel, 'Move to Adjourn,' motion carried, all voting yes. The meeting was adjourned at 8:56 p.m.

MAYOR

CITY CLERK

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

**SUBJECT TITLE: Liquor License
Renewals**

Agenda Item No: _____

Dept. of Origin: **Finance**

Date of Meeting: **November 18, 2008**

Originator: **Brian Butterfield** *19/13*

PRESENTED BY: Brian Butterfield

City Attorney: _____

City Manager: _____

Agenda Item Attachments:

See attached request for Liquor License Renewals:

Plaza Jalisco	400 W. Main
Quick Stop Market	807 S. Pacific

SUMMARY STATEMENT:

Various departments have been requested to give their input. Comments will be available by the date of the City Council Meeting. The Finance Staff recommends this request be acted on by the City Council.

The Finance Staff recommends acceptance or denial of this request.



**Washington State
Liquor Control Board**

PO Box 43098, 3000 Pacific Ave. SE, Olympia WA 98504-3098, (360) 664-1600
www.liq.wa.gov

Dear Contact Person:

RE: Liquor License Renewal Applications in Your Jurisdiction - Your Approval or Objection Opportunity

Enclosed please find a list of liquor-licensed premises in your jurisdiction whose liquor license will expire in about 90 days. This is your opportunity to approve or object to these license renewal requests.

- 1) To object to a liquor license renewal: Fax or mail a letter to the Washington State Liquor Control Board (WSLCB) Licensing Division detailing the reason(s) for your objection. This letter or Fax must be received at least 30 days before the liquor license expires (the expiration date is included in the enclosed list).
- 2) Licensing Division Report is Prepared: After we receive your objection, our licensing staff will prepare a report for review by the Board. This report will include your letter of objection, a report from the liquor control agent who covers the licensed premises, and a record of any past liquor violations. The board will then decide to renew the liquor license, or to proceed with non-renewal.
- 3) Non-Renewal: If the Board decides not to renew a license, we will notify the licensee in writing, stating the reason for this decision. The licensee under the Administrative Procedure Act (APA - RCW 66.08.150 and RCW 35.05) can contest non-renewal of a liquor license. If the licensee requests a hearing, we will notify you. You will be required to present evidence at the hearing to support your non-renewal recommendation. The administrative law judge will consider the evidence, and issue an initial order for the Board's review. The Board has final authority to renew the liquor license and will enter a final order announcing its decision.
- 4) Renewal with Local Objection: If the Board decides to renew the license over your objection, you may request a hearing, following the same APA procedure. You or the licensee may appeal the Final Order of the Board to the Superior Court for judicial review (under RCW 34.05). During the hearing and possible appeal process, the licensee is issued a temporary operating permit for the liquor license until a final decision is made.

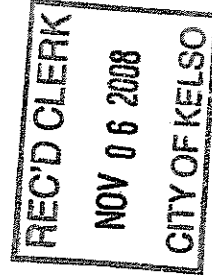
For questions about this process, contact the WSLCB Licensing Division at (360) 664-1600 or e-mail us at wsxcb@liq.wa.gov.

Sincerely,

Alan E. Rathbun

Alan E Rathbun, Director,
Licensing and Regulation Division

LIQ 864 7/08



MAYOR OF KELSO
109 ALLEN ST
PO BOX 819
KELSO, WA 98626-0819

C091080-2

WASHINGTON STATE LIQUOR CONTROL BOARD

DATE:11/03/08

LICENSED ESTABLISHMENTS IN INCORPORATED AREAS CITY OF KELSO
(BY ZIP CODE) FOR EXPIRATION DATE OF 20090228

	LICENSEE	BUSINESS NAME AND ADDRESS	LICENSE NUMBER	PRIVILEGES
1	TENALICA, INC.	PLAZA JALISCO 400 W MAIN KELSO	080256	SPIRITS/BR/WW REST SERVICE BAR
		WA 98626 0000		
2	RAINBOW PACIFIC LLC	QUICK STOP MARKET 807 S PACIFIC KELSO	353848	GROCERY STORE - BEER/WINE
		WA 98626 1609		

Business of the City Council
City of Kelso, Washington

Staff recommends passage of the attached ordinance.

ORDINANCE NO. 08-_____

**AN ORDINANCE OF THE CITY OF KELSO AMENDING
ORDINANCE NO. 07-3658 TO INCREASE WATER AND SEWER
RATES.**

THE CITY COUNCIL OF THE CITY OF KELSO DO ORDAIN AS FOLLOWS:

SECTION 1. That Ordinance No. 7-3658 is hereby amended to provide as follows:

1. Water Rates for All Residential and Commercial Users within the Corporate Limits:

BI-MONTHLY CHARGES:

Meter Size (In Inches)	2008	2009	2010	2011	2012	2013	2014
3/4 X 5/8	\$ 14.38	\$ 15.46	\$ 16.62	\$ 17.87	\$ 19.21	\$ 20.65	\$ 22.20
1	\$ 29.70	\$ 31.93	\$ 34.33	\$ 36.91	\$ 39.68	\$ 42.66	\$ 45.86
1.5	\$ 55.62	\$ 59.80	\$ 64.29	\$ 69.12	\$ 74.31	\$ 79.89	\$ 85.89
2	\$ 86.47	\$ 92.96	\$ 99.94	\$ 107.44	\$ 115.50	\$ 124.17	\$ 133.49
3	\$ 168.94	\$ 181.58	\$ 195.20	\$ 209.84	\$ 225.58	\$ 242.50	\$ 260.69
4	\$ 261.87	\$ 281.51	\$ 302.63	\$ 325.33	\$ 349.73	\$ 375.96	\$ 404.16
6	\$ 829.47	\$ 891.68	\$ 958.56	\$1,030.46	\$1,107.75	\$1,190.84	\$1,280.16
8	\$1,453.04	\$1,239.52	\$1,332.49	\$1,432.43	\$1,539.87	\$1,655.36	\$1,779.52
10	\$1,657.48	\$1,781.80	\$1,915.44	\$2,059.10	\$2,213.54	\$2,379.56	\$2,558.03

In addition to the fixed charge set forth above, each residential and commercial water customer of the utility shall pay an additional sum ~~equal to \$2.11 per~~ for every 100 cubic fee of water consumed.

2008	2009	2010	2011	2012	2013	2014
\$2.11	\$2.27	\$2.44	\$2.62	\$2.82	\$3.03	\$3.26

2. Water Rates for all Industrial Users with the Corporate Limits:

BI-MONTHLY CHARGES

Meter Size (In Inches)	2008	2009	2010	2011	2012	2013	2014
2	\$ 2,532.79	\$ 2,722.66	\$ 2,926.86	\$ 3,146.38	\$ 3,382.36	\$ 3,636.04	\$ 3,908.75
3	\$ 4,706.53	\$ 5,059.52	\$ 5,438.99	\$ 5,846.92	\$ 6,285.44	\$ 6,756.85	\$ 7,263.62
4	\$ 7,355.58	\$ 7,907.25	\$ 8,500.30	\$ 9,137.83	\$ 9,823.17	\$10,559.91	\$11,351.91
6	\$14,707.77	\$15,810.86	\$16,996.69	\$18,271.44	\$19,641.80	\$21,134.58	\$22,719.68
8	\$23,532.66	\$25,297.61	\$27,194.93	\$29,234.55	\$31,427.15	\$33,784.19	\$36,318.01
10	\$33,825.71	\$36,362.64	\$39,089.84	\$42,021.58	\$45,173.20	\$48,561.19	\$52,203.28

In addition to the fixed charge above, each industrial water customer of the utility shall pay an additional sum ~~equal to \$1.58 per~~ *for every* 100 cubic feet of water consumed.

2008	2009	2010	2011	2012	2013	2014
\$1.58	\$1.70	\$1.83	\$1.96	\$2.11	\$2.27	\$2.44

Customers must consume a minimum of 25,000 cubic feet per day of water to qualify as an industrial user.

3. Private Fire System Connections shall be as follows:

“Connection” shall mean individual line size (not size of water appurtenance).

Bi Monthly Charge:

Connection Size	2008	2009	2010	2011	2012	2013	2014
4"	35.49	\$ 38.15	\$ 41.01	\$ 44.09	\$ 47.40	\$ 50.95	\$ 54.77
6"	70.94	\$ 76.23	\$ 81.95	\$ 88.09	\$ 94.70	\$ 101.80	\$ 109.44
8"	122.03	\$ 131.18	\$ 141.02	\$ 151.60	\$ 162.97	\$ 175.19	\$ 188.33
10"	169.73	\$ 182.46	\$ 196.14	\$ 210.86	\$ 226.67	\$ 243.67	\$ 261.94

4. Service Outside City Limits:

The normal rates for water and sewer service to individual accounts located outside the City boundaries shall be 1.5 times the in-City rate.

5. New Connection Charges:

For new water service connections, the meter installation charge shall be as follows:

<u>CONNECTION SIZE</u>	<u>INSIDE CITY</u>	<u>OUTSIDE CITY</u>
3/4 x 5/8 meter set only	\$356.00	\$ 534.00
1" meter set only	\$750.00	\$1,125.00

Over 1 inch to be charged on actual construction costs, including labor, materials, equipment, plus 15% overhead (or customer can have contractor install per City specifications). The City does not construct service lines; these must be constructed to City standards by a licensed contractor.

6. Wholesale or Bulk Resale Rates:

Rates charged to other public entities for bulk water for resale purposes shall be at a rate ~~of \$0.89~~ *for every* 100 cubic feet of water delivered, plus the applicable minimum service charge for the metered connection, as follows:

2008	2009	2010	2011	2012	2013	2014
\$0.89	\$0.96	\$1.03	\$1.11	\$1.19	\$1.28	\$1.37

Bi Monthly Charge:

Connection Size	2008	2009	2010	2011	2012	2013	2014
1"	\$ 23.99	\$ 24.82	\$ 26.68	\$ 28.68	\$ 30.84	\$ 33.15	\$ 35.63
1.5"	\$ 34.43	\$ 37.01	\$ 39.79	\$ 42.77	\$ 45.98	\$ 49.43	\$ 53.14
2"	\$ 61.38	\$ 55.23	\$ 59.38	\$ 63.83	\$ 68.62	\$ 73.76	\$ 79.29
3"	\$ 103.60	\$ 111.37	\$ 119.72	\$ 128.70	\$ 138.35	\$ 148.73	\$ 159.89
4"	\$ 172.42	\$ 185.35	\$ 199.25	\$ 214.20	\$ 230.26	\$ 247.53	\$ 266.10
6"	\$ 258.95	\$ 278.37	\$ 299.25	\$ 321.69	\$ 345.82	\$ 371.76	\$ 399.64

7. Sewer Rates for All Residential and Commercial Users within the Corporate Limits

BI-MONTHLY CHARGE

SERVICE TYPE

A. All residential dwellings

2008	2009	2010	2011	2012	2013	2014
\$ 91.02	\$ 95.57	\$ 98.44	\$ 101.39	\$ 104.43	\$ 107.57	\$ 108.96

B. Apartments (Plus ~~\$5.64~~ \$5.89 per 100 cubic feet of water consumed in excess of 1300 cubic feet)

2008	2009	2010	2011	2012	2013	2014
\$ 91.02	\$ 95.57	\$ 98.44	\$ 101.39	\$ 104.43	\$ 107.57	\$ 108.96

C. (1) All Commercial Users

2008	2009	2010	2011	2012	2013	2014
\$ 91.02	\$ 95.57	\$ 98.44	\$ 101.39	\$ 104.43	\$ 107.57	\$ 108.96

(2) In addition, all commercial users consuming a quantity of water greater than 1300 cubic feet shall be charged ~~\$ 5.89 per~~ for every 100 cubic feet of water consumed in excess of 1300 cubic feet.

2008	2009	2010	2011	2012	2013	2014
\$5.89	\$6.33	\$6.81	\$7.32	\$7.87	\$8.46	\$9.09

8. Sewer Rates for All industrial Users within the Corporate Limits:

All industrial customers shall pay the following sewer rates based on water consumption:

BI-MONTHLY FIXED CHARGE

2008	2009	2010	2011	2012	2013	2014
\$ 7.20	\$ 7.56	\$ 7.79	\$ 8.02	\$ 8.26	\$ 8.51	\$ 8.62

VOLUME CHARGE

	2008	2009	2010	2011	2012	2013	2014
Per CCF	\$ 2.85	\$ 2.99	\$ 3.08	\$ 3.17	\$ 3.27	\$ 3.37	\$ 3.41

Customer must consume a minimum of 25,000 cubic feet per day of water to qualify as an industrial customer.

9. Treatment of “High Strength Waste” – Surcharge:

In the event that “high strength waste” is accepted for treatment by the Facilities, a surcharge shall be imposed and paid to the TRRWA in addition to any other charges for sewage treatment as follows:

BOD:	\$ 0.40 per pound
Suspended Solids (SS):	\$ 0.55 per pound

Such surcharge shall be assessed to “high strength waste” which is hereby defined to be waste that is in excess of a baseline concentration of 250 mg/l.

Such surcharge shall be calculated as follows:

BOD:	(concentration [mg/l] – 250 mg/l) x 8.34 x flow (mgd) x \$0.40
SS:	(concentration [mg/l] – 250 mg/l) x 8.34 x flow (mgd) x \$0.55

10. Miscellaneous

1. The City does not tap the sewer main for side-sewers. This work must be completed by a licensed contractor.
2. Sewer service calls at cost of labor, material, and equipment with a minimum of \$50.00 per call.
3. Turn-on fee for new customers or for water that was temporarily turned off \$10.00.
4. Water reconnection fee after water is turned off for non-payment but not padlocked is \$35.00. Padlock fee is an additional \$10.00.

5. Penalty for meter tampering is \$100.00 to be paid as a condition to resumption of service.
6. Meter removal charge is \$75.00. (Meters are removed where, in the City's judgment, such is necessary to insure that water will not be used without authorization.

7. Water and Sewer Adjustments

a. Water charge adjustments for water leaks will be allowed where sufficient evidence is presented to the City to show that water registering on the meter was not consumed for domestic purposes but was due to leaks or damage on customer's side of the meter, which has been repaired and approved by the Public Works Director or his designee, an adjustment may be made by payment of a pumping charge of ~~\$0.54~~ **\$0.58** per 100 cubic feet in lieu of the normal consumption rates. Such rates shall only be applied to that portion of consumption that exceeded annual monthly average amounts of consumption (base amount) for representative period where no leak or damage effected water consumption.

b. Sewer charges exceeding the base amount will be adjusted by estimating the quantity of wastewater entering the sewer system. The maximum adjustment period shall be two months.

All other adjustments shall be determined on a case-by-case basis by the Public Works Director. A utility customer who suffers a monetary loss for water or sewer services without fault or neglect on the part of the utility customer shall notify the City's Public Works Department in writing setting forth the facts and circumstances surrounding the loss.

The Public Works Department shall do an investigation and make a determination on whether the utility customer is due an adjustment on his utility bill and the amount of said adjustment, if any, or whether no adjustment is due the utility customer. The City shall then notify the customer in writing of said determination. If an adjustment is due the utility customer, said adjustment will be reflected on the utility customer's next normal billing cycle.

For water leaks wherein that water does not return to the sewer, the Public Works Director or his designee may estimate the quantity and make the appropriate fee adjustment.

If a determination is made that an adjustment is not due the utility customer, the utility customer may appeal this determination. A notice of appeal shall be made in writing to the City Clerk describing the basis for the appeal not more than ten days after notice to the utility customer of the determination which forms the basis for the appeal. Thereafter, an appeal meeting shall be scheduled by the City Clerk within twenty business days. The appeal board shall consist of the City Manager, City Clerk, and Public Works Director.

8. Water meter test deposit \$25.00.

9. Cleaning Usage Fee – an owner of property or a property manager may pay a non-refundable fee of \$25.00 to have the water turned on for cleaning purposes for a period of 5 days only. After 5 days, the water will be automatically turned off and padlocked. The \$25.00 fee will allow up to 300 cubic feet of water usage. If water is used in excess of 300 cubic feet, the owner or property manager will be charged an additional ~~\$2.11~~ **\$3.26** per 100 cubic feet of water consumed, to be billed when the water is turned off. If the owner or property manager wishes the water to remain on after 5 days, then they must make a \$60.00 deposit in addition to the \$25.00 fee.

11. Capital Recovery Fees – Water Connections:

<u>CONNECTION SIZE</u>	<u>METER EQUIVALENTS</u> (Compound Meter)	<u>CAPITAL RECOVERY FEE</u>
3/4 x 5/8"	1	\$ 1,969
1"	2.5	\$ 4,923
1.5"	5.0	\$ 9,845
2"	8.00	\$ 15,752
3"	16	\$ 31,504
4"	25	\$ 49,225
6"	50	\$ 98,450
8"	80	\$ 157,520
10"	115	\$ 226,435

12. Capital Recovery Fees – Sewer Connections:

<u>CONNECTIONS</u>	<u>METER EQUIVALENTS</u> (Compound Meter)	<u>CAPITAL RECOVERY FEE</u>
3/4 x 5/8"	1	\$ 2,254
1"	2.5	\$ 5,635
1.5"	5.0	\$ 11,270
2"	8.00	\$ 18,032
3"	16	\$ 36,064
4"	25	\$ 56,350
6"	50	\$ 112,700
8"	80	\$ 180,320
10"	115	\$ 259,210

In addition to all "hook-up" charges, sanitary sewer service charges and other existing charge and fees imposed by a member entity or by the TRRWA, a System Development Charge (SDC) for waste water treatment in the sum of \$1,957.00 will be charged for each new Equivalent Residential Unit (ERU) hereafter connected to the facilities of the TRRWA through the sanitary sewer lines of the member entities in accordance with the following conversion tables:

RESIDENTIAL

<u>Dwelling</u>	<u>ERU's per Dwelling Unit</u>
Single family	1.00
Duplex, 3 or 4-plex	0.86
Apartment (5 or more)	0.67

COMMERCIAL

<u>Water Meter Size (Inches)</u>	<u>ERU's Per Meter</u>
5/8	1.00
3/4	1.50
1	2.50
1.5	5.00
2	8.00
3	16.00
4	25.00
6	50.00
8	80.00

INDUSTRIAL

1 ERU per each
300 gallons per
day flow

13. Senior Citizens Reduction:

Senior Citizens occupying residential dwellings shall be eligible for a reduction of the water/sewer portion of their utility bill of four dollars (\$4.00) per billing period, provided they apply and are qualified for such a reduction pursuant to the authority contained in RCW 74.38.070 as a low-income senior citizen. Further, for purposes of implementing this section, the rate reduction will be applied at \$2.00 for water service and \$2.00 for sewer service per billing period. Those customers receiving either water service or sewer service will only receive a \$2.00 reduction per billing period.

For purposes of implementing this section, "low-income senior citizen" means a person who is sixty-one-(61) years of age or older and whose total income, including that of his or her spouse or co-tenant, does not exceed the amount specified in RCW 84.36.381(5) as it now exists or is hereafter amended. Further, for purposes of implementing this section, the definitions of "combined disposable income," "disposable income" and "co-tenant" shall be as defined in RCW 84.36.383(5), (6), and (7), as they now exist or are hereafter amended.

14. Rates for Water Hydrant Meter Rentals – Services:

Rates for water hydrant meter rentals shall, at a minimum, consist of a \$950.00 deposit, and a meter charge of \$5.00 per day, and a minimum charge of \$20.00 for wholesale or bulk resale rates for water consumption. The City Manager or his designee shall have authority to issue water hydrant meter permits in a form to be made available by the City Clerk.

SECTION 2. This Ordinance shall be in full force and effect five days after its passage and publication of summary as required by law.

ADOPTED by the City Council and **SIGNED** by the Mayor this ____ day of _____, 2008.

MAYOR

ATTEST/AUTHENTICATION:

CITY CLERK

APPROVED AS TO FORM:

PUBLISHED:_____



Memorandum

To: David Sypher, City of Kelso

Date: September 15, 2008

From: Ed Cebon, Principal
Case Kiyonaga, Analyst

RE: 2008 Water/Sewer Utility Rate Update

Dear Mr. Sypher,

We are pleased to submit this memorandum summarizing our findings of the 2008 Water and Sewer Utility Rate Update. The City of Kelso engaged FCS Group to forecast its water and sewer financial performance in an effort to determine reasonable future utility performance as is required for issuing revenue bonds. This phase 1 product summarizes our findings and recommendations for annual rate increases needed to meet the utility financial needs. Phase 2, if authorized, would develop related materials in support of a planned water revenue bond issue.

I. Modeling Process

FCS Group requested and received current budget and financial information for the water and sewer utilities. After receiving the pertinent data, FCS Group utilized the information provided to update the previous rate model with current information and proceeded to update the coding logic as needed in order to create current models for future forecasting. The model was then used to project future capital and operating funding requirements outlining necessary future rate increases for funding capital projects as described in the provided 2008-2013 six year CIP.

The City has tentatively considered a \$5.5 million revenue bond issue in support of the water CIP. For our modeling purposes, we did not assume this amount, but instead analyzed the level of bond funding necessary to reasonably fund and execute the CIP projects. Our analysis confirmed the size of this bond issue based on water funding needs. It also shows a need for another revenue bond issue in 2012 in support of both water and sewer projects. For the purposes of the model, we made the following assumptions:

- ❖ That the revenue bonds would have a 5% interest rate with a 2% issuance cost and a 20 year life.
- ❖ The Drinking Water State Revolving Funds (DWSRF) loan for Kelso has a 1.5% interest rate with a 20 year life and no issuance cost.

II. Revisions and Other Assumptions

After a preliminary review with city management, we revised assumptions related to budget and CIP as follows:

- ❖ We prioritized funding for the water and sewer capital projects marked as "urgent" and accelerated their construction to 2009-10.

- ❖ We deferred the non-urgent capital project timetable extending from 2010 to 2017 in order to have a smoother rate structure and to have more consistent year to year funding needs.
- ❖ We reviewed the regional sewer budget and based on a review with the system manager, have assumed increases in costs for Kelso of approximately 10% in 2009 and 5% in 2010. After 2010, we have assumed inflationary cost increases at 3% per year.
- ❖ We “levelized” rates by using fund balances to allow smoothing of rate increases, while remaining cognizant of overall bond coverage and policy requirements.

Based on the analysis, a series of rate increases was determined. Given the use of levelizing, the City may find that it is necessary to adopt multiple year increases prior to bond sale in order to demonstrate adequate revenues for bond issuance.

III. Recommendations

The following table summarizes recommended annual rate increases for each utility, along with several key statistics:

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Bond Financing (\$ millions)						
Water	\$5.5			\$2.0		
Sewer				\$1.0		
Annual Rate Increases:						
Water	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
Sewer	5.0%	3.0%	3.0%	3.0%	3.0%	1.3%
Annual Bond Coverage:						
Water	1.45	1.46	1.50	1.31	1.37	1.74
Sewer	4.27	3.35	3.44	2.39	3.02	3.24
Total W/S Combined	<i>1.98</i>	<i>1.77</i>	<i>1.82</i>	<i>1.54</i>	<i>1.72</i>	<i>2.05</i>

Since the bond coverage test as required by covenant is actually based on the combined utility performance, the combined coverage result will be the dictating factor for bond issuance and compliance. The coverage minimum requirement related to existing bonds is 1.25, but higher coverage factors of 1.40 to 2.00 are often established as policy objectives or to improve bond marketability.

Looking beyond 2014, we also project further debt financing requirements related to the remainder

of the CIP related to non-urgent water capital projects. Our forecast indicates a total of perhaps \$7 million in additional bonding may be needed in the 2015-2026 timeframe. To support this future need, the projected water rate increases of 7.5% annually would need to continue until 2016. However, the projection of capital costs, operating costs and capital schedule become less certain as they extend further in the future. For this reason, we would recommend that the City update its rate analysis and forecast as it completes current funding, perhaps in support of the projected 2012 bond issue.

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE:

2nd Reading of an Ordinance setting stormwater rates

Agenda Item: 2

Dept. of Origin: Public Works/Utility

For Agenda of: November 18, 2008

Cost of Item: _____

City Manager: Dennis Richards

PRESENTED BY:

David M. Sypher, P.E.
Public Works Director

AGENDA ITEM ATTACHMENTS

Proposed Ordinance
AWC Stormwater Rate Summary

SUMMARY STATEMENT:

Recently the state has imposed new mandatory NPDES stormwater permit requirements in relation to the Federal Clean Water Act. In order to comply with the requirements the City is proposing a residential stormwater utility rate of \$5.37/month for 2009 and a rate of \$7.12/month in 2010. Prior to the 2008 \$0.09/mo. rate increase, there had been no increase since 1997. This increase will provide the minimum required to help meet that need, as proposed and discussed in the 2009-10 budget hearings.

RECOMMENDED ACTION:

Staff recommends passage of the attached ordinance.

ORDINANCE NO. 08-_____

AN ORDINANCE OF THE CITY OF KELSO REPEALING ORDINANCE NUMBERS 07-3659, 97-3379, 95-3294, 94-3252, AND AMENDING ORDINANCE NO. 93-3225 RELATING TO STORMWATER MANAGEMENT BY ESTABLISHING A NEW BASE RATE FOR SINGLE-FAMILY PARCELS, AND LISTING THE CURRENT MONTHLY SERVICE CHARGE FOR ALL CATEGORIES OF OTHER DEVELOPED PARCELS.

THE CITY COUNCIL OF THE CITY OF KELSO DO ORDAIN AS FOLLOWS:

SECTION 1. That Ordinance No. 93-3225, relating to stormwater management, is hereby amended to provide as follows:

System of Charges: The following monthly service charges are hereby established for all parcels of real property within the boundaries of the City of Kelso as they now exist or as they may be hereafter established for the purpose of carrying on the responsibilities of the stormwater management utility:

A. Undeveloped Parcels: Undeveloped parcels shall not be charged.

B. Single-Family Parcels: The monthly service charge for each single-family and duplex parcels shall be \$5.37 for 2009 and \$7.12 beginning in 2010, which shall hereafter be referred to as the "base rate."

C. Multiple Family Parcels: Multiple family parcels within multiple dwelling units (3 or more) shall be charged the base rate times the number of dwelling units within a structure. Multiple dwelling units shall also include mobile home parks. The base rate shall be charged for each mobile home on the developed parcel.

D. Senior Citizens: Senior citizens shall be exempt from the stormwater sewer charge provided they apply and qualify for such a reduction per RCW 74.38.070.

For purposes of implementing this section, "low-income senior citizen" shall mean a person who is sixty-one (61) years of age or older and whose total income, including that of his/her spouse or co-tenant, does not exceed the amount specified in RCW 84.36.381(5), as it now exists or is hereafter amended. Further, for purposes of implementing this section, the definitions of "combined disposable income," "disposable income," and "co-tenant" shall be as defined in RCW 84.36.383(5), (6), and (7), as they now exist or are hereafter amended.

E. Other Developed Parcels: The monthly service charge for all other developed parcels shall be determined by taking the total measured impervious surface area divided by the total

acreage. The monthly service charge shall be determined by taking this percentage and using the following rate schedule to see what category any particular parcel falls into:

<u>CATEGORY DESCRIPTION</u>	<u>PERCENT OF IMPERVIOUS SURFACE</u>	<u>MONTHLY SERVICE CHARGE</u>
1. Very light	0% to 9%	\$3.40/IA
2. Moderately light	10% to 24%	\$8.96/IA
3. Light	25% to 39%	\$15.60/IA
4. Moderate	40% to 54%	\$22.30/IA
5. Moderately heavy	55% to 69%	\$28.94/IA
6. Heavy	70% to 84%	\$36.77/IA
7. Very heavy	85% to 100%	\$46.87/IA

(IA means "Impervious Acre")

F. Minimum Charge: Notwithstanding the number of impervious units applicable to any individual property, the minimum monthly service charge for all developed properties shall be equal to the base rate.

SECTION 2. The rates established herein shall take effect on the customer's first billing cycle after January 1, 2009.

SECTION 3. This Ordinance shall be in full force and effect five (5) days after its passage and publication of summary as required by law.

ADOPTED by the City Council and **SIGNED** by the Mayor this ____ day of _____, 2008.

MAYOR

ATTEST/AUTHENTICATION:

CITY CLERK

AWC 2008 Rate Survey Summary

Stormwater System

Approximately 119 cities currently have a stormwater utility. In 2007, new regulations went into effect requiring many cities to obtain National Pollutant Discharge Elimination System (NPDES) Phase II permits.

The permit is required of urbanized areas and cities with a population of 1,000 or more people per square mile. An estimated 74 NPDES Phase II cities have a stormwater utility; another 45 cities with a stormwater utility are not required to obtain the permit.

Number of Cities with Stormwater Utilities*	
Cities with stormwater utility	119
NPDES cities with stormwater utility	75
Non-NPDES cities with stormwater utility	45

*Data reflects only those cities responding to survey

Stormwater rates are based upon ERU (equivalent residential unit) or ESU (equivalent service unit). The number of square feet of impervious area included in an ERU or ESU varies by jurisdiction.

Stormwater Rates	
Average	\$10.21
High	\$124.00
Low	\$1.83
Average number of customers	7,507

AGENDA SUMMARY SHEET

AGENDA ITEM: Ordinance 2nd reading.

Budget revision #1.

SUBMITTED BY: Brian Butterfield

AGENDA ITEM # 3

FOR AGENDA OF: 11/18/2008

ORIGINATING DEPT: Finance

DATE SUBMITTED: 11/12/2008

COST OF ITEM: _____

AMT. BUDGETED _____

CITY ATTY. APPROVAL _____

CITY MGR. APPROVAL _____

AGENDA ITEM PAPERWORK:

SUMMARY STATEMENT/DEPT. RECOMMENDATION:

Due to unforeseen circumstances certain expenditures are coming in higher than originally anticipated. In addition, certain revenues are coming in lower than expected.

Revisions in the General Fund include the following:

- \$85,000 net decrease in total General Fund revenues. \$100,000 decrease in gambling taxes.
- \$207,000 in transfers to Street Dept's. for overlays and revenue shortfalls.
- Engineering \$40,000 for professional services provided by Wallis Eng.
- \$60,000 for professional services provided Greg Prothman.

NOTE: Changes from the first reading to the second reading include the following:

- Revised expenditures in the Stadium Fund.
- Revised expenditures in the Criminal Justice Fund.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF KELSO AMENDING THE 2008 BUDGET TO REFLECT REVENUES AND APPROPRIATE FUNDS TO COVER EXPENDITURES OVER AND ABOVE THOSE ANTICIPATED AT THE TIME SAID BUDGET WAS ADOPTED.

THE CITY COUNCIL OF THE CITY OF KELSO DO ORDAIN AS FOLLOWS:

SECTION 1. That by reason of the inability of the City and its officials to foresee and compute with accuracy the actual revenue and necessary expenditures of public funds for the current expenses of the City, it is deemed necessary to make the following amendment to the budget by increasing/(decreasing) the following line items by the amounts set forth below for the 2008 Budget, to-wit:

GENERAL FUND

Revenues

001-00-308-00-00	Beginning Fund Balance	\$ 426,100.00
001-00-322-10-00	Building Permits	\$ (60,000.00)
001-00-316-43-00	B & O Tax – Gas	\$ (20,000.00)
001-00-316-54-00	B & O Tax - City Utilities	\$ 40,000.00
001-00-316-46-00	B & O Tax – Cable	\$ 20,000.00
001-00-316-10-00	Business and Occupation Tax	\$ 15,000.00
001-00-316-70-00	Utility Tax	\$ 30,000.00
001-00-317-50-00	Gambling Excise	\$ (100,000.00)
001-00-343-20-00	Engineering Fees & Charges	\$ 50,000.00
001-00-336-00-98	City Assistance	\$ (30,000.00)
001-00-349-32-00	Engineering Services	<u>\$ (30,000.00)</u>
		<u>\$ 341,100.00</u>

Expenditures

001-01-511-60-10-0	Council Salaries	\$ 3,600.00
001-03-513-10-20-1	Admin Secretary Benefits	\$ 4,500.00
001-02-512-50-49-0	Contract Services - Muni Ct	\$ (10,000.00)
001-03-513-10-20-1	Admin Secretary Benefits	\$ 4,500.00
001-04-594-14-64-4	Office Equipment	\$ 4,000.00
001-06-521-50-32-0	Fuel – Police	\$ 18,000.00
001-06-521-90-94-0	Equipment Reserve – Dep	\$ 5,000.00
001-08-523-60-51-0	Jail	\$ (75,000.00)
001-09-518-30-41-1	Professional Services	\$ 60,000.00
001-09-518-80-41-0	Software	\$ 11,500.00
001-09-519-90-46-0	Insurance	\$ 17,000.00
001-09-597-00-00-7	Transfer to Street	\$ 107,000.00
001-09-597-00-00-7	Transfer to Arterial Street	\$ 100,000.00
001-09-597-00-00-2	Transfer to Debt Service Fund	\$ 20,000.00
001-12-532-10-12-0	Salaries - Part-time	\$ 10,000.00
001-12-532-10-41-0	Professional Eng. Services	\$ 40,000.00
001-13-524-20-41-0	Professional Services – Planning	\$ 7,000.00
001-13-558-60-31-0	Software Upgrade	<u>\$ 14,000.00</u>
		<u>\$ 341,100.00</u>

STREET FUND

Revenues

101-16-397-00-02	Transfer from General Fund	\$ 107,000.00
101-16-336-00-87	Fuel Tax	\$ (20,265.00)

Expenditures

101-118-01	Bridge Maint. Fund	\$ 50,235.00
101-16-542-30-10-0	Street Salaries	\$ 7,500.00
101-16-542-30-20-0	Street Benefits	\$ 10,000.00
101-16-542-30-48-3	Vehicle Maintenance	\$ 13,500.00
101-16-542-60-48-3	Vehicle Maintenance	\$ 5,500.00

ARTERIAL STREET FUND

Revenues

102-18-397-00-00	Transfer from General Fund	\$ 100,000.00
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Expenditures

102-18-541-10-54-5	Overlay Program	\$ 100,000.00
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STADIUM FUND

Expenditures

106-20-508-00-00-0	Ending Fund Balance	\$ (40,000.00)
106-20-573-20-49-7	Regional Performing Arts	\$ 10,000.00
106-20-575-30-49-0	Cowlitz Museum	\$ 5,000.00
106-20-594-07-00-2	Girls Softball	\$ 25,000.00

PARKS AND RECREATION FUND

Revenues

108-21-367-00-00	Donations - Stan Rister	\$	10,000.00
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Expenditures

108-21-576-80-48-4	Maintenance	\$	10,000.00
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CRIMINAL JUSTICE FUND

Revenues

120-40-336-06-21	Beginning Fund Balance	\$	2,000.00
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Expenditures

120-40-521-30-31-0	Supplies/Equipment DCD #2	\$	1,000.00
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120-40-521-90-49-0	Domestic Violence	\$	1,000.00
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SOLID WASTE FUND

Revenues

402-24-308-00-00	Beginning Fund Balance	\$	28,151.00
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Expenditures

402-24-508-00-00-0	Ending Fund Balance	\$	(11,849.00)
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402-24-537-70-41-0	Professional Services	\$	40,000.00
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WATER/SEWER FUND

Revenues

403-25-397-00-01	Transfer from Bond Reserve Fund	\$ 85,000.00
403-25-382-20-00	Revenue Bond Proceeds	\$ 915,000.00

Expenditures

403-25-582-34-72-0	98 Revenue Bond Principal	\$ 975,000.00
403-25-592-34-84-0	Debt Issuance Expense	\$ 25,000.00

BOND RESERVE FUND

Revenues

414-45-308-00-00	Beginning Fund Balance	\$ 76,500.00
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Expenditures

414-45-508-00-00-0	Ending Fund Balance	\$ (8,500.00)
414-45-597-00-00-0	Transfer to Fund 403	\$ 85,000.00

EQUIPMENT RESERVE FUND

Revenues

502-33-365-90-01	Depreciation - Police	\$ 6,000.00
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Expenditures

502-33-594-48-64-2	Police Fleet	\$ 6,000.00
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SECTION 2. It is hereby ordered that the aforesaid sum be and the same is hereby appropriated in excess of the budget of the City of Kelso for 2008 and further that said budget be and the same is hereby amended accordingly.

SECTION 3. This Ordinance shall be in full force and effect five days after its passage and publication of summary as required by law.

ADOPTED by the City Council and **SIGNED** by the Mayor this ____ day of _____, 2008.

MAYOR

ATTEST/AUTHENTICATION:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

PUBLISHED:_____

AGENDA SUMMARY SHEET

AGENDA ITEM: An ordinance setting
the 2009 property tax levy amount.
Second reading.

SUBMITTED BY: Brian Butterfield

AGENDA ITEM # 4
FOR AGENDA OF: 11/18/08
ORIGINATING DEPT: Finance
DATE SUBMITTED: 11/12/08
COST OF ITEM: _____
AMT. BUDGETED _____
CITY ATTY. APPROVAL _____
CITY MGR. APPROVAL _____

AGENDA ITEM PAPERWORK:

SUMMARY STATEMENT/DEPT. RECOMMENDATION:

The levy amount for the 2009 General Levy is \$1,286,735.

This represents a dollar increase of \$104,450 over the 2008 General Levy. The increase is made up of three components:

1) New Construction:	\$34,404	
2) Banked Levy capacity	\$57,647	Represents an increase of approx. \$11.75 per year for \$150,000 assessed value.
3) 1.00% increase over highest lawful levy:	<u>\$12,399</u>	
Total Increase	<u>\$104,450</u>	

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF KELSO FIXING THE
ESTIMATED AMOUNT TO BE RAISED BY AD VALOREM TAXES AT
\$1,286,735 FOR THE 2009 BUDGET OF THE CITY.**

THE CITY COUNCIL OF THE CITY OF KELSO DO ORDAIN AS FOLLOWS:

SECTION 1. The estimated dollar amount to be raised upon real and personal property in Cowlitz County, Washington, to raise said dollar amount to cover the estimated budget needs of the City of Kelso for calendar year 2009 are as follows:

DOLLAR AMOUNT

General Levy	\$1,286,735 or maximum allowed by law
--------------	---------------------------------------

SECTION 2. This Ordinance shall be in full force and effect five (5) days from and after its passage and publication of summary as required by law.

ADOPTED by the City Council and **SIGNED** by the Mayor this _____ day of _____, 2008.

MAYOR

ATTEST/AUTHENTICATION:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

PUBLISHED:_____

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE:

Close Out Summary for Project # 790802
Tam O'Shanter Park Parking Lot "A"
Paving Improvements

Agenda Item: 5

Dept. of Origin: Public Works – Engineering Dept.

For Agenda of: November 18, 2008

Originator: David Mack

City Manager: Dennis Richards

PRESENTED BY:

David M. Sypher
Public Works Director

AGENDA ITEM ATTACHMENTS:

Final Project Payment Summary Exhibit "A"
Close Out Summary Change Order # 4

SUMMARY STATEMENT:

This project prepared the Rister Stadium parking lot base for the placement of new pavement, sidewalks, curbs and planting islands. The drainage work for this lot was done last year. The major elements of this project were: 5,376 SY of Cement Treated Base, 955 Tons of Hot Mix Asphalt, 383 SY Concrete Sidewalk and 1570 LF Concrete Traffic Curb. This project included the placement of approximately 840 LF of 4" PVC under the driving surface of the parking lot to allow for the future construction of irrigation and lighting systems without damaging the new pavement.

This project completes the first phase of the Park Master Plan and provides a very functional and visually pleasing parking lot for Rister Stadium.

FINANCIAL SUMMARY:

Original Contract Amount w/ Original Additive Bid "A":	\$221,170.57
Approved Change Orders:	\$27,243.58
Final Contract Amount:	\$248,414.14
Change in Contract Amount:	\$27,243.58
Retainage:	\$11,532.69

RECOMMENDED ACTION:

Staff recommends a council motion accepting this project as complete and authorizing staff to release retainage upon receipt of the Department of Revenue and Employment Security Department clearance.

CONTRACT CHANGE ORDER

Close Out Summary Change Order No.4

Contract For: Tam O'Shanter Park Parking Lot "A" Paving Improvements

City of Kelso, WA

No 790802

Owner: City of Kelso

Dated 10/21/2008

To: Civilworks NW, Inc.

(Contractor)

You are hereby requested to comply with the following changes from the contract plans and specifications:

Description of Changes	Decrease in Contract Price	Increase in Contract Price
------------------------	-------------------------------	-------------------------------

Close Out Summary – **No Change in Value Required**

\$ 0.00

Total Change in Contract Price for Change Order # 4

\$ 0.00

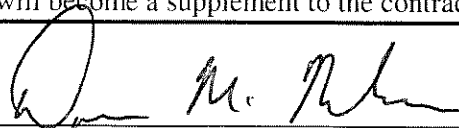
Justification: N/A

Final Project Scope: This project prepared the Rister Stadium parking lot base for the placement of new pavement, sidewalks, curbs and planting islands. The drainage work for this lot was done last year. The major elements of this project were:

5,376 SY of Cement Treated Base, 955 Tons of Hot Mix Asphalt, 383 SY Concrete Sidewalk and 1570 LF Concrete Traffic Curb. This project included the placement of approximately 840 LF of 4" PVC under the driving surface of the parking lot to allow for the future construction of irrigation and lighting systems without damaging the new pavement.

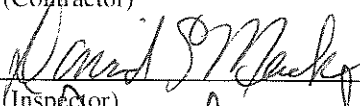
Original Contract Base Bid	\$207,309.58
Original Contract Additive Bid "A" Amount	\$13,860.99
Approved Change Orders # 1, 2, 3 & 4	\$27,243.58
Total Contract Price	\$248,414.14

This document will become a supplement to the contract and all provisions of the contract will apply hereto.

Accepted:  M. Nelson - PRES.

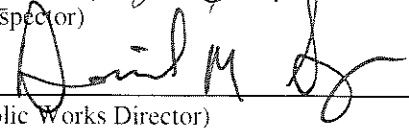
(Contractor)

11/5/08
(Date)

Reviewed:  David S. Mackey

(Inspector)

11/06/08
(Date)

Recommended:  David M. Jones

(Public Works Director)

11/06/08
(Date)

Approved: _____
(Owner)

(Date)

Exhibit "A"

Item	Description	Quantity	Bid Amount		Previous Estimate		This estimate		Total to Date	
			Unit Price	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost
1	Mobilization	1 LS	\$13,000.00	\$13,000.00	1.00	\$13,000.00		\$0.00	1.00	\$13,000.00
2	Spill Prevention Control & Countermeasure Plan	1 LS	\$3,200.00	\$3,200.00	1.00	\$3,200.00		\$0.00	1.00	\$3,200.00
3	Remove Structures & Obstructions	1 LS	\$2,225.00	\$2,225.00	1.00	\$2,225.00		\$0.00	1.00	\$2,225.00
4	Removing Asphalt Pavement	700 SY	\$5.75	\$4,025.00	700.00	\$4,025.00		\$0.00	700.00	\$4,025.00
5	Trimming & Cleanup	1 LS	\$2,000.00	\$2,000.00	1.00	\$2,000.00		\$0.00	1.00	\$2,000.00
6	Crushed Surfacing Top Course	1250 CY	\$24.50	\$30,625.00	1250.00	\$30,625.00		\$0.00	1,250.00	\$30,625.00
7	Cement Modified Base, 12-inch Thickness	4360 SY	\$1.80	\$7,848.00	4360.00	\$7,848.00		\$0.00	4,360.00	\$7,848.00
8	Portland Cement	140 TON	\$150.00	\$21,000.00	140.00	\$21,000.00		\$0.00	140.00	\$21,000.00
9	Commercial HMA	750 TON	\$86.00	\$64,500.00	785.00	\$67,510.00		\$0.00	785.00	\$67,510.00
10	Job Mix Compliance Price Adjustment	2025 CALC	\$0.00	\$0.00	0.00	\$0.00		\$0.00	0.00	\$0.00
11	Compaction Price Adjustment	1350 CALC	\$0.00	\$0.00	0.00	\$0.00		\$0.00	0.00	\$0.00
12	Adjust Catch Basin	10 EA	\$275.00	\$2,750.00	10.00	\$2,750.00		\$0.00	10.00	\$2,750.00
13	Erosion/Water Pollution Control	2500 FA	\$1.00	\$2,500.00	2500.00	\$2,500.00		\$0.00	2,500.00	\$2,500.00
14	Topsoil Type C	130 CY	\$47.50	\$6,175.00	130.00	\$6,175.00		\$0.00	130.00	\$6,175.00
15	Cement Conc. Traffic Curb	1600 LF	\$8.50	\$13,600.00	1600.00	\$13,600.00		\$0.00	1,600.00	\$13,600.00
16	Cement Conc. Sidewalk	410 SY	\$29.00	\$11,890.00	410.00	\$11,890.00		\$0.00	410.00	\$11,890.00
17	Cement Conc. Sidewalk Ramp - Returned Curb	4 EA	\$875.00	\$3,500.00	4.00	\$3,500.00		\$0.00	4.00	\$3,500.00
18	Cement Conc. Sidewalk Ramp Alternate	2 EA	\$875.00	\$1,750.00	2.00	\$1,750.00		\$0.00	2.00	\$1,750.00
19	Cement Conc. Sidewalk Ramp Alternate B	2 EA	\$950.00	\$1,900.00	2.00	\$1,900.00		\$0.00	2.00	\$1,900.00
3-1	CO # 1 - Remove Structures & Obstructions	1 LS	\$200.00	\$200.00	1.00	\$200.00		\$0.00	1.00	\$200.00
4-1	CO # 1 - Removing Asphalt Pavement	160 SY	\$5.75	\$920.00	160.00	\$920.00		\$0.00	160.00	\$920.00
6-1	CO # 1 - Crushed Surfacing Top Course	90 CY	\$24.50	\$2,205.00	90.00	\$2,205.00		\$0.00	90.00	\$2,205.00
7-1	CO # 1 - Cement Modified Base, 12-inch Thick.	251 SY	\$1.80	\$451.80	251.00	\$451.80		\$0.00	251.00	\$451.80
8-1	CO # 1 - Portland Cement	6 TON	\$150.00	\$900.00	6.00	\$900.00		\$0.00	6.00	\$900.00
9-1	CO # 1 - Commercial HMA	35 TON	\$66.00	\$3,010.00	35.00	\$3,010.00		\$0.00	35.00	\$3,010.00
14-1	CO # 1 - Topsoil Type C	-10 CY	\$47.50	-\$475.00	-10.00	-\$475.00		\$0.00	-10.00	-\$475.00
15-1	CO # 1 - Cement Conc. Traffic Curb	-30 LF	\$8.50	-\$255.00	-30.00	-\$255.00		\$0.00	-30.00	-\$255.00
16-1	CO # 1 - Cement Conc. Sidewalk	-27 SY	\$29.00	-\$783.00	-27.00	-\$783.00		\$0.00	-27.00	-\$783.00
17-1	CO # 1 - Cem. Conc. Sidewalk Ramp - Ret. Curb	-1 EA	\$875.00	-\$875.00	-1.00	-\$875.00		\$0.00	-1.00	-\$875.00
18-1	CO # 1 - Cement Conc. Sidewalk Ramp Alternate	-1 EA	\$875.00	-\$875.00	-1.00	-\$875.00		\$0.00	-1.00	-\$875.00
20-1	CO # 1 - Change Order Survey	1 LS	\$560.00	\$560.00	1.00	\$560.00		\$0.00	1.00	\$560.00
3-2	CO # 2 - Remove Structures & Obstructions	1 LS	\$200.00	\$200.00	1.00	\$200.00		\$0.00	1.00	\$200.00
7-2	CO # 2 - Cement Modified Base, 12-inch Thick.	765 SY	\$1.80	\$1,377.00	765.00	\$1,377.00		\$0.00	765.00	\$1,377.00
8-2	CO # 2 - Portland Cement	25 TON	\$150.00	\$3,750.00	25.00	\$3,750.00		\$0.00	25.00	\$3,750.00
9-2	CO # 2 - Commercial HMA	135 TON	\$86.00	\$11,610.00	135.00	\$11,610.00		\$0.00	135.00	\$11,610.00
20-2	CO # 2 - Change Order Survey	1 LS	\$560.00	\$560.00	1.00	\$560.00		\$0.00	1.00	\$560.00

Subtotal				\$214,968.80		\$199,921.80		\$0.00		\$217,978.80
Sales Tax (7.7%)				\$16,552.60		\$15,393.98		\$0.00		\$16,784.37
Base Bid Total				\$231,521.40		\$215,315.78		\$0.00		\$234,763.17


Bid Additive A										
A - 1	4-in Dia. Irrigation Conduit	480 LF	\$15.00	\$7,200.00	480.00	\$7,200.00		\$0.00	480.00	\$7,200.00

A-2	4-In. Dia. Electrical Conduit	360	LF	\$15.00	\$5,400.00	360.00	\$5,400.00		\$0.00	360.00	\$5,400.00
A-3	Unsuitable Foundation Excavation Incl. Haul	5	CY	\$50.00	\$250.00	5.00	\$250.00		\$0.00	5.00	\$250.00
A-4	Construction Geotextile for Separation	20	SY	\$1.00	\$20.00	20.00	\$20.00		\$0.00	20.00	\$20.00
A-1-1	CO # 1 - 4-In Dia. Irrigation Conduit	-38	LF	\$15.00	-\$570.00	-38.00	-\$570.00		\$0.00	-38.00	-\$570.00
A-2-1	CO # 1 - 4-In Dia. Electrical Conduit	25	LF	\$15.00	\$375.00	25.00	\$375.00		\$0.00	25.00	\$375.00
	Subtotal				\$12,675.00				\$0.00		\$12,675.00
	Sales Tax (7.7%)				\$975.98				\$0.00		\$975.975
	Additive Bid A Total				\$13,650.98				\$0.00		\$13,650.98

Total Bid Quantity	\$227,643.80
Sales Tax	\$17,528.57
Total contract Amount	\$245,172.37

Subtotal	\$0.00	\$230,653.80
Retainage	\$0.00	\$11,532.69
Sales Tax	\$0.00	\$17,760.34
Total due this Estimate	\$0.00	\$236,881.45
Total due this project		\$248,414.14

Civilworks NW, Inc accepts the amount of \$248,414.14 as full and final compensation for all work performed on City of Kelso Project # 790802.


Civilworks NW, Inc.

11/05/08
Date